Illinois Higher Education
Performance Funding

ICCCFO Presentation
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Illinois Board of Higher Education
The Challenge

• According to the Higher Education Finance Study Commission:
  – Colleges and Universities are starving for dollars.
  – Illinois’ student financial aid system has been eroded at a
time when low-income families have less ability to pay for
  college.
  – Unfunded state mandates and regulatory requirements
    undermine efficiency and productivity.
  – Institutions often squeeze cost savings out of instruction
    and student support services.
  – The burden of financing a college education has
    increasingly fallen on students and families.
The Challenge

• State funding for higher education has declined steadily over the last 15 years.
• The State is currently experiencing a debt crisis.
• Pensions costs are exceeding the rate of state revenue growth.
• The State funding situation has created a cash flow problem for colleges and universities.
• Over the past few years there has been very little funding for capital projects, to include renovation and remodeling.
• The State is facing potential decreases in financial aid funding for both MAP and Pell.
State Dollars Down, Tuition and Taxes Up
State Initiatives To Achieve the Goals of the Public Agenda

• The development of a K-12 college and career curriculum Common Core and improved teacher and school leader standards.

• The implementation of the Illinois Articulation Initiative to align curriculum from high schools through community colleges to four year universities.

• Establishment of a Statewide P-20 Longitudinal Data System.

• The implementation of Performance Funding for colleges and universities in the State of Illinois.

Plus all of the programs and initiatives implemented by the colleges and universities to further the achievement of the Public Agenda.
Performance Based Funding
Performance-Based Funding

- Rewards institutions that meet state goals.
- It is based on outputs instead of inputs
  - Course completion instead of course enrollment.
  - Degree recipients instead of degree candidates.
- The more goals that institutions meet, the more funding they receive.
Successful Performance-Based Programs

- Have goals that are tied to a statewide strategic plan.
- Have goals that are specifically tailored for each institution.
- Include funding sources that are stable and predictable.
- Have measurement data that is uniformly collected and easily accessible.
- Have incentive programs that are routinely reviewed and continually redefined as needs change.
- Realize that students enter the higher education system with different levels of preparation and accommodate for such differences in the funding formula.
Performance-Based Funding Principles

• Tie funds to completion, not enrollment
• Differentiate Between Institutional Missions
  – Research Institutions
  – Masters Institutions
  – Community Colleges
• Encourage At-Risk Students
• Maintain Quality
Pitfalls To Be Avoided

• Institutions do not like performance-based funding.
  – Systems currently optimized for funding based on enrollment or other criteria.
  – Unpredictable state funding.
  – Lack of trust.
• Obtaining real-time data and feedback is a challenge.
• You have to continue to support an institution’s core functions.
• Designing effective performance-based funding systems is very difficult.
  – Many stakeholders with competing interests.
  – Dynamic process.
Causes for the Demise of Performance Funding Programs

• Higher education opposition
  – Perceived lack of adequate consultation with higher education institutions.
  – The use of performance indicators that higher education institutions did not find valid.
  – A perception of high implementation costs to institutions.
  – A perception of erosion of campus autonomy.

• The use of an appropriations holdback.

• The crucial impact of downturns in state finances.
Performance Funding Objective

• To develop a performance funding model for public universities that ...

  – Is linked directly to the Goals of the *Illinois Public Agenda* and the principles of Public Act 97-320.
  – Is focused on the fundamental goal of increasing completion.
  – Rewards performance of institutions in advancing the success of underrepresented students.
  – Is equipped to recognize and account for each university’s mission and set of circumstances.
  – Is not prescriptive in how to achieve excellence and success.
The Public Agenda Goals

1. Increase Educational Attainment.
2. Ensure college affordability for students, families, and taxpayers.
3. Increase the number of high-quality post-secondary credentials.
4. Better integrate Illinois’ education, research, and innovation assets to meet economic needs of the state.
Public Act 97-320 (HB 1503)

• **Performance Metrics Shall:**
  – Focus on the fundamental goal of increasing completion.
  – Reward performance of institutions in advancing the success of students who are:
    • Academically or financially at risk.
    • First generation students.
    • Low-income students.
    • Students traditionally underrepresented in higher education.
  – Recognize and account for the differentiated missions of institutions of higher education.
  – Recognize the unique and broad mission of public community colleges.
  – Maintain the quality of degrees, certificates, courses, and programs.
What We Have Accomplished

• Identified the key issues.
• Developed performance funding principles.
• Identified appropriate performance measures and sub-categories.
• Developed performance funding models for both 2-year and 4-year colleges and universities.
• Acquired initial data.
• Received input from steering committee members, colleges and universities, other groups, and individuals.
• Finalized the performance funding model for both four-year and two-year colleges and universities.
Performance Funding Model

Community Colleges
Performance Funding Model (Community Colleges)

- There are thirty-nine community college districts.
- The community college model contains six separate measures.
- Each measure is allocated an equal portion of the total performance funding amount.
- Each district competes for a portion of the funding for each measure.
- Those districts that show a decrease in performance receive no funds based on performance.
- Those districts that show an increase in performance receive a pro-rata share of the funding allocation for that measure based on the increase in their performance.
Performance Funding Measures

(Community Colleges)

• Degree and Certificate Completion.
• Degree and Certificate Completion of “At Risk” students.
• Transfer to a four year institution.
• Remedial and Adult Education Advancement.
• Momentum Points.
• Transfer to a community college.
Performance Funding Model
(Community College Example)

• Measure 1 – Students who completed a degree or certificate
• Model (Part 1) = Percentage change in number of associate degrees awarded from FY08-FY09.

<table>
<thead>
<tr>
<th>College</th>
<th>FY 2008 Number of Associate Degrees Awarded</th>
<th>FY 2009 Number of Associate Degrees Awarded</th>
<th>% Change</th>
<th>Greater than Zero</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>College 1</td>
<td>575</td>
<td>533</td>
<td>-7.3%</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>College 2</td>
<td>1,803</td>
<td>2,361</td>
<td>30.9%</td>
<td>.309</td>
<td>$9,579</td>
</tr>
<tr>
<td>College 3</td>
<td>270</td>
<td>243</td>
<td>-10.0%</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>College 4</td>
<td>1,484</td>
<td>1,630</td>
<td>9.8%</td>
<td>.098</td>
<td>$3,045</td>
</tr>
<tr>
<td>....</td>
<td>.....</td>
<td>.....</td>
<td>....</td>
<td>....</td>
<td>....</td>
</tr>
<tr>
<td>College 39</td>
<td>329</td>
<td>350</td>
<td>6.4%</td>
<td>.064</td>
<td>$1,976</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Totals</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25,130</td>
<td>26,460</td>
<td>2.585</td>
<td></td>
<td>$80,000</td>
</tr>
</tbody>
</table>

• Pro Rata Share = $80,000/2.585 = $30,951
• Funding Allocation = Amount of Increase X Pro Rata Share
  → (i.e. .309 X 30,951 = $9,579)
Degree & Certificate Completion

• **Measure 1** – Students who completed a degree or certificate
• Model (Part 1) = Percentage change in number of *associate degrees* awarded from FY08-FY09.
• Range of Results = -14.3% to +30.9%
• Number of districts receiving funding = 26
• Range of Increase = (.2%-30.9%) or (.002 to .309)
• Funding Allocation = $80,000
• Total of increase for all 26 districts = 2.585
• Pro Rata Share = $80,000/2.585 = $30,951 (i.e. 1 share = $30,951)
• Funding Allocation = Amount of Increase X Pro Rata Share
  – (i.e. .002 X $30,951 = $74)
• Range of Allocation = $74 to $9,579
Degree & Certificate Completion

- **Measure 1** – Students who completed a degree or certificate
- **Model (Part 2)** = Percentage change in number of certificates awarded from FY08-FY09.
  - Range of Results = -49.6% to +103.8%
  - Number of districts receiving funding = 24
  - Range of Increase = (.9%-103.8%) or (.009 to 1.038)
  - Funding Allocation = $40,000
  - Total of increase for all 24 districts = 5.324
  - Pro Rata Share = $40,000/5.324 = $7,512 (i.e. 1 share = $7,512)
  - Funding Allocation = Amount of Increase X Pro Rata Share
    - (i.e. .009 X $7,512 = $64)
  - Range of Allocation = $64 to $7,797

- **Total Allocation for Measure 1** = $120,000
- **Total Number of colleges receiving funding** = 35
- **Range of Allocation** = $331 to $9,579
Degree Production of At-Risk Students

- **Measure 2** – At-risk students who completed a degree or certificate (i.e. students with Pell or taking remedial courses)
- **Model** = Percentage change (number of Pell recipients + number of students who have taken remedial courses) from FY08-FY09.
- Range of Results = -28.1% to +26.5%
- Number of districts receiving funding = 20
- Range of Increase = (2.3%-26.5%) or (.023 to .265)
- Funding Allocation = $120,000
- Total of increase for all 20 districts = 2.913
- Pro Rata Share = $120,000/2.913 = $41,201 (i.e. 1 share = $41,201)
- Funding Allocation = Amount of Increase X Pro Rata Share
  - (i.e. .023 X $41,201 = $938)
- Range of Allocation = $938 to $10,936
Transfer to a Four Year Institution

• **Measure 3** – Students who transfer to a four year institution within 3 years
• **Model** = Percentage of Fall 2006 entrants who transferred to 4-year institutions by Fall 2010.
• Range of Results = 12.3% to 35.8%
• Number of districts receiving funding – 39
• Range of Increase = (12.3%-35.8%) or (.123 to .358)
• Funding Allocation = $120,000
• Total of increase for all 39 districts = 10.778
• Pro Rata Share = $120,000/10.72 = $11,134 (i.e. 1 share = $11,134)
• Funding Allocation = Amount of Increase X Pro Rata Share
  – (i.e. .123 X $11,134 = $1,375)
• Range of Allocation = $1,375 to $3,988
Remedial and Adult Education Advancement

- **Measure 4** – Remedial students who advance to college level work.
- **Model** = Percentage of FY 2009 remedial students who advanced to college level courses.
- Range of Results = 43.8% to 100%
- Number of districts receiving funding – 39
- Range of Increase = (43.8%-100%) or (.438 to 1.0)
- Funding Allocation = $120,000
- Total of increase for all 39 districts = 23.82
- Pro Rata Share = $120,000/23.82 = $5,039 (i.e. 1 share = $5,039)
- Funding Allocation = Amount of Increase X Pro Rata Share
  - (i.e. .438 X $5,039 = $2,207)
- Range of Allocation = $2,207 to $5,039
Momentum Points

• **Measure 5** – 1st time/PT students completing 12 credit hours w/in the first year, 1st time/PT students completing 24 credit hours w/in the first year, and Adult Education and Family Literacy level (AEFL) gains.

• **Model** = % change (number of students completing 12 CR + number of students completing 24 CR + number of students with an AEFL level gain) from FY08-FY09).

• Range of Results = -53.9% to 69.6%

• Number of districts receiving funding – 22

• Range of Increase = (.9% to 69.6%) or (.009 to .696)

• Funding Allocation = $120,000

• Total of increase for all 22 districts= 6.478

• Pro Rata Share = $120,000/6.478 = $18,529 (i.e. 1 share = $18,529)

• Funding Allocation = Amount of Increase X Pro Rata Share
  – (i.e. ..009 X $18,529 = $171)

• Range of Allocation = $171 to $12,898
Transfer to Another Community College

• **Measure 6** – Community college students that transfer to other community colleges.

• **Model** = Percentage change (students transferring from one community college to another community college) from (FY06-FY09) to (FY07-FY10).

• Range of Results = 53.7% to 155.4%

• Number of districts receiving funding – 39

• Range of Increase = (53.7%-155.4%) or (.537 to 1.554)

• Funding Allocation = $120,000

• Total of increase for all 39 districts= 37.01

• Pro Rata Share = $120,000/37.01 = $3,242 (i.e. 1 share = $3,242)

• Funding Allocation = Amount of Increase X Pro Rata Share
  – (i.e. .537 X $3,242 = $1,741)

• Range of Allocation = $1,741 to $5,038
Performance Funding Model
(Community Colleges)

- All steps are identical for each measure.
- Each college competes independently for funding associated with each measure.
- Funds are distributed on a pro rata basis according to each institution’s increase in performance.
- No funds are allocated for a decrease in performance.
- The formula calculation for each institution will change each year based on annually updated data.
- The model can be scaled relative to the amount of funds allocated to performance funding.
- The funds allocated to the community colleges based on this performance funding model range from $30,587 to $8,914 based on a total performance funding allocation of $720K.
Budgetary Considerations and Recommendations
Performance Funding
Budget Recommendations

• Additional funding should be allocated to performance if possible.
• If there is no additional funding available to be allocated based on performance, the amount reallocated should initially be small.
• Performance funding should be implemented slowly starting with small funding amounts and then increasing the amount allocated to performance over time.
**Refinement Effort**

- Determine if there are ways we can improve the models
- Improve the quality of existing data used in the models
- Identify additional sources of quality data.
- Refine the existing measures by developing more concise and clear definitions for what we want to assess
- Expand the scope of the model by identifying and compiling data for measures and sub-categories that can be added to the model.
Questions/Comments?
Backup Charts
Performance Funding Model

4-Year Public Universities
Performance Funding Model Steps
(4-Year Public University)

• Step 1 – Identify the performance measures or metrics that support the achievement of the state goals.
• Step 2 – Collect the data on the selected performance measures
• Step 3 – Award an additional premium (i.e. 40%) for the production of certain desired outcomes such as completions by underserved or underrepresented populations
• Step 4 – Normalize (scale) the data, if necessary, so it is comparable across variables.
• Step 5 – Weight each of the Performance Measures that reflects the priority of the Measure and the mission of the institution.
• Step 6 – Multiply and sum the Scaled Data times the Weight to produce the Weighted results.
• Step 7 – Use the Weighted results (or Total Performance Value) to distribute performance funding.
# Performance Measures

**Step 1** – Identify the performance measures or metrics that support the achievement of the state goals.

**Step 2** – Collect the data on the selected performance measures (3-year averages)

<table>
<thead>
<tr>
<th>Measure</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Bachelors Degrees (FY07-09)</td>
<td>IPEDS</td>
</tr>
<tr>
<td>• Masters Degrees (FY07-09)</td>
<td>IPEDS</td>
</tr>
<tr>
<td>• Doctoral and Professional Degrees (FY07-09)</td>
<td>IPEDS</td>
</tr>
<tr>
<td>• Undergraduate Degrees per 100 FTE (FY07-09)</td>
<td>IPEDS</td>
</tr>
<tr>
<td>• Education and General Spending per Completion (FY09-11)</td>
<td>RAMP</td>
</tr>
<tr>
<td>• Research and Public Service Expenditures (FY09-11)</td>
<td>RAMP</td>
</tr>
</tbody>
</table>
Possible Performance Measures

Future Measures*

• Retention (By Cohort)
• Time to Completion (within 100% or 150%)
• Students Accumulation of Credit Hours (24/48/72)
• Student Transfers
• Remediation
• Diversity of Staff and Faculty
• Quality

* The data for these measures is either not currently available or is not of sufficient quality to use.
Sub-Categories

Step 3 – Award an additional premium for the production of certain desired outcomes such as completions by underserved or underrepresented populations

<table>
<thead>
<tr>
<th>Sub-Category</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Income (Pell/Map Eligible)</td>
<td>40%</td>
</tr>
<tr>
<td>Adult (Age 25 and Older)</td>
<td>40%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>40%</td>
</tr>
<tr>
<td>Black, non-Hispanic</td>
<td>40%</td>
</tr>
<tr>
<td>STEM &amp; Health Care (by CIP Code)</td>
<td>40%</td>
</tr>
</tbody>
</table>
Possible Sub-Categories

*Future Sub-Categories*

- Part-Time
- Disabled
- Veterans
- First Generation
- English Language Learners
- Residents of Underserved Counties
- Additional Ethnic Categories

* The data for these measures is either not currently available or is not of sufficient quality to use.
Scaling Factors

Step 4 – Normalize (scale) the data, if necessary, so it is comparable across variables.

- Averaged the measures across all of the institutions.
- The average number of bachelors degrees will serve as the base value.
- Determine a scaling factor that will normalize the rest of the averages to the average number of bachelors degrees.
- Adjust the scaling factors as appropriate (i.e. Masters & Doctorates).
- Multiply all of the initial data by the scaling factor to normalize the data.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Universities 1-12 (Avg)</th>
<th>Scaling Factor</th>
<th>Adjusted Scaling Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelors Degrees (FY07-09)</td>
<td>4,445</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Masters Degrees (FY07-09)</td>
<td>1,152</td>
<td>3.86</td>
<td>1.00</td>
</tr>
<tr>
<td>Doctoral and Professional Degrees (FY07-09)</td>
<td>796</td>
<td>16.25</td>
<td>2.00</td>
</tr>
<tr>
<td>Undergraduate Degrees per 100 FTE FY(07-09)</td>
<td>26</td>
<td>173.64</td>
<td>200.00</td>
</tr>
<tr>
<td>Education and General Spending per Completion (FY09-11)</td>
<td>4,639</td>
<td>-.96</td>
<td>-1.00</td>
</tr>
<tr>
<td>Research and Public Service Expenditures (FY09-11)</td>
<td>10,803,117</td>
<td>.0004115</td>
<td>.0005000</td>
</tr>
</tbody>
</table>
Carnegie Classifications

**Step 5** – Weight each of the Performance Measures that reflects the priority of the Measure and the mission of the institution.

- **Research – Very High**
  - University of Illinois – Urbana/Champaign
  - University of Illinois – Chicago

- **Research – High**
  - Northern Illinois University
  - Southern Illinois University – Carbondale

- **Doctoral/Research**
  - Illinois State University

- **Masters Colleges & Universities – Large**
  - Southern Illinois University – Edwardsville
  - Western Illinois University
  - Eastern Illinois University
  - Northeastern Illinois University
  - Chicago State University
  - Governors State University
  - University of Illinois – Springfield

- **Community Colleges**
## Performance Measure Weights

### Step 5 – Weight each of the Performance Measures that reflects the priority of the Measure and the mission of the institution.

#### Weights Based on Institutional Mission

<table>
<thead>
<tr>
<th>Mission</th>
<th>UIUC</th>
<th>UIC</th>
<th>NIU</th>
<th>SIUC</th>
<th>ISU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelors Degrees</td>
<td>22.5%</td>
<td>22.5%</td>
<td>37.5%</td>
<td>37.5%</td>
<td>40.0%</td>
</tr>
<tr>
<td>Masters Degrees</td>
<td>15.0%</td>
<td>15.0%</td>
<td>20.0%</td>
<td>20.0%</td>
<td>22.5%</td>
</tr>
<tr>
<td>Doctoral and Prof Degrees</td>
<td>15.0%</td>
<td>15.0%</td>
<td>10.0%</td>
<td>10.0%</td>
<td>7.5%</td>
</tr>
<tr>
<td>Undergrad Degrees per 100 FTE</td>
<td>5.0%</td>
<td>5.0%</td>
<td>10.0%</td>
<td>10.0%</td>
<td>12.5%</td>
</tr>
<tr>
<td>Education Spending/Completion</td>
<td>2.5%</td>
<td>0.0%</td>
<td>2.5%</td>
<td>0.0%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Research and Public Service Expenditures</td>
<td>40.0%</td>
<td>42.5%</td>
<td>20.0%</td>
<td>22.5%</td>
<td>15.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

#### Masters Colleges & Universities (Large)

<table>
<thead>
<tr>
<th>Mission</th>
<th>SIUE</th>
<th>WIU</th>
<th>EIU</th>
<th>NEIU</th>
<th>CSU</th>
<th>GSU</th>
<th>UIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelors Degrees</td>
<td>45.0%</td>
<td>45.0%</td>
<td>45.0%</td>
<td>45.0%</td>
<td>47.5%</td>
<td>50.0%</td>
<td>50.0%</td>
</tr>
<tr>
<td>Masters Degrees</td>
<td>25.0%</td>
<td>25.0%</td>
<td>27.5%</td>
<td>27.5%</td>
<td>25.0%</td>
<td>37.5%</td>
<td>37.5%</td>
</tr>
<tr>
<td>Doctoral and Prof Degrees</td>
<td>5.0%</td>
<td>2.5%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>2.5%</td>
<td>0.0%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Undergrad Degrees per 100 FTE</td>
<td>15.0%</td>
<td>15.0%</td>
<td>15.0%</td>
<td>15.0%</td>
<td>15.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Education Spending/Completion</td>
<td>2.5%</td>
<td>10.0%</td>
<td>10.0%</td>
<td>10.0%</td>
<td>7.5%</td>
<td>10.0%</td>
<td>7.5%</td>
</tr>
<tr>
<td>Research and Public Service Expenditures</td>
<td>7.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
## Performance Value Calculation

**Step 6** – Multiply and Sum the Scaled Data times the Weight to produce the Total Performance Value.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Data</th>
<th>Data + Premium</th>
<th>Scale</th>
<th>(Data+Premium) x Scale x Weight</th>
<th>Total Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelors Degrees</td>
<td>3,921</td>
<td>6,813</td>
<td>1</td>
<td>6,813</td>
<td>35.0%</td>
</tr>
<tr>
<td>Masters Degrees</td>
<td>1,552</td>
<td>1,754</td>
<td>1</td>
<td>1,754</td>
<td>25.0%</td>
</tr>
<tr>
<td>Doctoral and Professional Degrees</td>
<td>209</td>
<td>229</td>
<td>2</td>
<td>458</td>
<td>5.0%</td>
</tr>
<tr>
<td>Undergraduate Degrees per 100 FTE</td>
<td>23.2</td>
<td>23.2</td>
<td>200</td>
<td>4,646</td>
<td>10.0%</td>
</tr>
<tr>
<td>Education and General Spending per Completion</td>
<td>3,788</td>
<td>3,788</td>
<td>-1</td>
<td>-3,788</td>
<td>5.0%</td>
</tr>
<tr>
<td>Research and Public Service Expenditures</td>
<td>5,486,590</td>
<td>5,486,590</td>
<td>.0005</td>
<td>2,743</td>
<td>20.0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Total Performance Value = 3580
Funding Allocation Based on Performance

Step 7 – Use the Weighted results (or Total Performance Value) to distribute funding based on a Pro Rata Share of the total amount of funds set aside for performance funding.

<table>
<thead>
<tr>
<th>Percentages for Distribution</th>
<th>University 1</th>
<th>University 2</th>
<th>University 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Performance Value</td>
<td>10,840</td>
<td>4,435</td>
<td>2,027</td>
<td>17,302</td>
</tr>
<tr>
<td>Percentage of Total</td>
<td>62.7%</td>
<td>25.6%</td>
<td>11.7%</td>
<td>100%</td>
</tr>
<tr>
<td>Distribution: Pro Rata</td>
<td>$627,000</td>
<td>$256,000</td>
<td>$117,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>
Performance Funding Model

• All steps are identical at each university
• The model accounts for each institution’s unique mission by adding a weight to each measure.
• Each institution’s formula calculation is independent.
• The formula calculation for each institution will change each year based on annually updated data.
• The funding allocation is competitive.
• Funds are distributed on a pro rata basis according to each institution’s formula calculation.
• The model is not prescriptive in how to achieve excellence and success (what, not how).
• There is still much more work to do.